

Message Text

UNCLASSIFIED

PAGE 01 MONTRE 00658 072059Z
ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-01
INR-10 NSAE-00 ICA-20 TRSE-00 XMB-04 OPIC-06
SP-02 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-07
CEA-01 PA-02 /105 W

-----045717 081119Z /14

R 072024Z AOR 78
FM AMCONSUL MONTREAL
TO SECSTATE WASHDC 276
INFO AMEMBASSY OTTAWA
AMCONSUL QUEBEC

UNCLAS MONTREAL 658

E.O. 11652: NA
TAGS: ECON, EINV, CA, FR
SUBJECT: RENAULT-AMC AGREEMENT AFFECTS QUEBEC

1. FOR QUEBEC, ANNOUNCEMENT OF AGREEMENT BETWEEN AMERICAN MOTORS AND RENAULT TO MANUFACTURE RENAULTS IN NORTH AMERICA MEANS LOSS OF ANOTHER HEAD OFFICE. SINCE 1967, RENAULT-CANADA HAS HAD ITS HEAD OFFICE IN SAN BRUNO, OUTSIDE MONTREAL. EMPLOYMENT IN HEAD OFFICE NUMBERS 105.

2. RENAULT HAD PREVIOUSLY ASSEMBLED CARS IN QUEBEC, BUT CEASED ASSEMBLY OPERATIONS IN 1972, AS PLANT WAS LOSING MONEY. SINCE THEN, OPERATIONS CONFINED TO MANAGEMENT AND PARTS SUPPORT. OF REMAINING EMPLOYEES, ABOUT 70 ARE REPORTED TO BE ADMINISTRATIVE AND OFFICE STAFF AND 30 IN PARTS AND HANDLING. FUTURE OF EMPLOYEES AT THIS POINT IS UNCLEAR.

3. AGREEMENT BETWEEN AMERICAN MOTORS AND RENAULT CAME AS SURPRISE TO QUEBEC GOVERNMENT, AS IT APPARENTLY DID TO FRENCH CONSULATE HERE WHICH REPORTEDLY LEARNED OF ANNOUNCEMENT BY READING MONTREAL PAPERS. QUEBEC COMMERCE AND INDUSTRY MINISTER RODRIQUE TREMBLAY WAS QUICK TO REACT, HOWEVER, AND ANNOUNCED THAT

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 MONTRE 00658 072059Z

HE HAD APPROACHED RENAULT AND AMERICAN MOTORS REGARDING POSSIBILITY OF MANUFACTURING AUTO PARTS IN QUEBEC. TREMBLAY SAID THAT HE EXPECTED AN ANSWER WITHIN TWO MONTHS.

4. COMMENT: IN VIEW OF LONG HISTORY OF EXCHANGES BETWEEN FRANCE

AND QUEBEC ON NEED FOR CLOSER AND MORE CONCRETE RELATIONS IN
INDUSTRIAL FIELD, HEAD OF RENAULT CANADA TOOK PAINS TO STRESS
THAT RENAULT'S ACTION WAS RESULT OF ECONOMIC IMPERATIVES, WHICH
HE SAID WOULD CERTAINLY BE UNDERSTOOD BY QUEBEC GOVERNMENT THAT
HAD ONLY RECENTLY ITSELF TAKEN DECISION TO AWARD LARGE BUS
CONTRACT TO GENERAL MOTORS RATHER THAN TO QUEBEC-BASED
BOMBARDIER-MLW. AT ANY RATE, DEPARTURE OF RENAULT WILL UN-
DOUBTEDLY GIVE RENEWED CURRENCY TO OLD SAW THAT WHEN CHIPS ARE
DOWN ALL QUEBEC EVER GETS FROM FRANCE ARE MEDALS AND AWARDS.
HARPER

UNCLASSIFIED

NNN

*** Current Handling Restrictions *** n/a

*** Current Classification *** UNCLASSIFIED

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGREEMENTS, AUTOMOBILES, INDUSTRIAL PLANTS
Control Number: n/a
Copy: SINGLE
Draft Date: 07 apr 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978MONTRE00658
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Expiration:
Film Number: D780152-0487
Format: TEL
From: MONTREAL
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197804105/aaaafjgs.tel
Line Count: 76
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON MICROFILM, TEXT ON-LINE
Message ID: dc7135a6-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2828564
Secure: OPEN
Status: <DBA CORRECTED> jms 970819
Subject: RENAULT-AMC AGREEMENT AFFECTS QUEBEC
TAGS: ECON, EINV, CA, FR, US, AMERICAN MOTORS, RENAULT
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/dc7135a6-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014